

MINUTES OF PUBLIC MEETING OF
THE BOARD OF EQUALIZATION OF UTAH COUNTY, UTAH
COMMISSION CHAMBERS, ROOM 1400
OF THE UTAH COUNTY ADMINISTRATION BUILDING

Tuesday, April 29, 2014 - 1:00 P.M.

PRESENT: COMMISSIONER GARY J. ANDERSON, CHAIR
COMMISSIONER LARRY A ELLERTSON, VICE-CHAIR
COMMISSIONER DOUG WITNEY

ALSO PRESENT:

David Shawcroft, Utah County Deputy Attorney
Peter Jeppesen, Utah County Assessor's Office
Diane Garcia, Utah County Assessor's Office
Jim Stevens, Utah County Assessor's Office
Andrea Allen, Utah County Recorder's Office
Raphael Millet, Utah County Recorder's Office
Sandy Nielson, Utah County Clerk/Auditor's Office
Burt Harvey, Utah County Clerk/Auditor's Office
Keven Ewell, Utah County Assessor's Office
Vicky Westergard, Clerk/Auditor's Office
Hillary Avery, Director of Friday's Kids Respite
Bill Hulterstrom, United Way of Utah County
Arnolyn Miller, United Way of Utah County
Gary Laramie, RW Commercial Properties LLC
Suzanne Whitehead, HELP International
Kelli Taylor, LDS Church
Dean Barney, LDS Church
Erik Davis, Brigham Young University
Melanie Bower, no further information

Tamera Tanner, The Straighter Way Foundation
Kim Gardner, no further information
Lanay Brinkerhoff, Daughters of Utah Pioneers
Jeff Hamilton, no further information
Cyrena Johnson, Foursquare Church AF
William Voohries, no further information
Brent Crane, Friends of the Coalition
Eric Johnson, Mountainlands Community Health Center
Mark Longhurst, Brigham Young University
Dan Turner, IOOF Provo #14
Ann Dockstader, Themis
Robert Fillerup, Frandsen Family LLC
Sharlene Wilde, Neighborhood Housing Services of Provo
Steve Smoot, Intermountain Healthca
Rod Lisonbee, Intermountain Healthcare
Key Miner, Intermountain Healthcare
Ethan Shumway, Intermountain Healthcare
Auriel Combs, Beth Adonai RVU IHW
Anglito Castaneda, Victory Baptist Church

Commissioner Anderson called the meeting to order at 1:07 P.M. and welcomed those present. The following matters were discussed:

**1. APPROVE MINUTES OF THE BOARD OF EQUALIZATION MEETING HELD ON FEBRUARY 25, 2014.
(Continued from 3/25/2014.)**

2. APPROVE MINUTES OF THE BOARD OF EQUALIZATION MEETING HELD ON MARCH, 25, 2014.

Commissioner Witney made the motion to approve items No. 1 and 2. Commissioner Ellertson seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

RECONVENE BY STATE TAX COMMISSION

3. HEAR LATE APPEAL ON FACTUAL ERROR ONLY OF 2013 PROPERTY VALUATION FOR GRACE BULLOCK/KARI REGAN, REP., SERIAL NO. 55:203:0002, APPEAL NO. 14-131.

Keven Ewell stated the stipulated value is \$300,000.

Commissioner Ellertson made the motion to accept the stipulated value at \$300,000. Commissioner Witney seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none**

4. HEAR LATE APPEAL ON FACTUAL ERROR ONLY OF 2013 PROPERTY VALUATION FOR RICHARD STONE/DON RUZICKA, REP., SERIAL NO. 12:008:0008, APPEAL NO. 14-477.

Kevin Ewell stated the stipulated value is \$300,000.

Commissioner Ellertson made the motion to accept the stipulated value at \$300,000. Commissioner Witney seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none**

5. HEAR LATE APPEAL ON FACTUAL ERROR ONLY OF 2013 PROPERTY VALUATION FOR E & K LAND PROPERTIES LLC/ERIC OKELBERRY, SERIAL NO. 26:048:0099, APPEAL NO. 14-470.

Kevin Ewell stated the stipulated value is \$966,800.

Commissioner Ellertson made the motion to accept the stipulated value of \$966,800. Commissioner Witney seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none**

TAX EXEMPTIONS –LATE

6. ACCEPT OR DENY LATE FILED CONTINUING PROPERTY TAX STATEMENTS FOR 2014 EXEMPTION RECEIVED AFTER THE DEADLINE OF MARCH 1, 2014, AS SPECIFIED IN BINDER.

Burt Harvey explained Item NO. 6 was to accept the late applications.

7. ACCEPT OR DENY LATE FILED INITIAL EXEMPTION APPLICATION FOR BRIGHAM YOUNG UNIVERSITY RECEIVED AFTER DEADLINE OF MARCH 1, 2014, SERIAL NOS. 20:070:0002, 15:005:0003, 15:005:0004, 15:005:0005, 15:005:0006, 15:005:0010, 15:005:0023, 15:005:0024, & 15:005:0027.

8. **ACCEPT OR DENY LATE FILED INITIAL EXEMPTION APPLICATION FOR THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS RECEIVED AFTER THE FILING DEADLINE OF MARCH 1, 2014, SERIAL NO. 60:022:0002.**

Commissioner Witney made the motion to accept Items Nos. 6, 7 and 8. Commissioner Ellertson seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

TAX EXEMPTIONS

9. **APPROVE OR DENY CONTINUING PROPERTY TAX STATEMENT FOR 2014 TAX EXEMPT STATUS FOR UNITED WAY OF UTAH COUNTY, SERIAL NO. 21:050:0138. (Continued from 3/25/14 & revised 4/16/14 to correct Question #6 on Annual Statement.)**

Bill Hulterstrom, representing the United Way of Utah County, explained the original application was granted years ago and had a part of the property with non-related business income. Any revenue they have now goes to pay off the mortgage. Commissioner Ellertson explained there is no money coming to the United Way except for the mortgage payment. Bill added there is also reimbursements from various activities but the rental income coming from Community Action is for the mortgage. Commissioner Ellertson recused himself due to prior involvement with United Way and this issue specifically. It was agreed upon by the other Commissioners he did not need to recuse himself.

Commissioner Ellertson made the motion to approve the continuing property tax exemption for the United Way of Utah County for Serial No. 21:050:0138. Commissioner Witney seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

10. **APPROVE OR DENY LATE FILED CONTINUING PROPERTY TAX STATEMENTS FOR 2014 EXEMPTION RECEIVED AFTER DEADLINE OF MARCH 1, 2014, AS SPECIFIED IN BINDER.**

Commissioner Witney made the motion to approved Item No. 10. Commissioner Ellertson seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

11. **APPROVE OR DENY LATE FILED EXEMPTION APPLICATION FOR BRIGHAM YOUNG UNIVERSITY RECEIVED AFTER DEADLINE OF MARCH 1, 2014, SERIAL NOS. 20:070:0002, 15:005:0003, 15:005:0004, 15:005:0005, 15:005:0006, 15:005:0010, 15:005:0023, 15:005:0024, & 15:005:0027.**

Commissioner Witney made the motion to approve Item NO. 11. Commissioner Ellertson seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney**
Nay: none

12. APPROVE OR DENY LATE FILED INITIAL EXEMPTION APPLICATION FOR THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS RECEIVED AFTER THE DEADLINE OF MARCH 1, 2014, SERIAL NO. 60:022:0002.

Burt Harvey stated the church's representatives wanted to add to their application. Dean Barney explained there was a failure to put on the application the request for an exemption for the land area. He gave additional information to the Commissioners and explained this exemption is for a youth trek facility. It contains one residence for full-time missionaries that work on the trek and the property is located on the west side of Utah Lake near Elberta. The western portion is in Greenbelt. He continued explaining they were asking for an exemption for the eastern portion of the property which is used for trek sites. He mentioned the positive attributes of the location. Commissioner Witney asked if the exemption of the 313 acres would impact its Greenbelt status. Dean explained they were requesting to change from Greenbelt status to exempt status. Dean, when asked if there would be any production impacted, answered there would not be any production impacted as there is no grazing there. There was discussion on a portion of the map and whether it was disked or not. Burt Harvey suggested this item be continued for one month so the application could be corrected.

Commissioner Ellertson made the motion to continue Item No. 12 for one month. Commissioner Witney seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney**
Nay: none

Dave Shawcroft reiterated that if this portion is not used exclusively for trek purposes, then they would need to re-draw the boundaries.

13. APPROVE OR DENY INITIAL EXEMPTION FOR NEIGHBORHOOD HOUSING SERVICES OF PROVO, SERIAL NOS. 46:782:0014, 02:037:0030, 44:014:0017, 03:061:0018, 04:047:0007, 53:066:0008, 08:084:0002, 47:024:0048, 08:068:0002, 07:045:0015, 66:098:0307 & 07:098:0007.

Sharlene Wilde, executive director for Neighborhood Housing Services of Provo, explained they were asking for exemption for low income housing rental homes that are connected with the Neighborhood Stabilization Fund. This fund was granted to the State of Utah 3 years ago by the federal government. These properties are county wide. The rents that are collected go back into the fund minus a small portion.

Commissioner Ellertson made the motion to approve Item NO. 13. Commissioner Witney seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney**
Nay: none

14. APPROVE OR DENY 2014 CHARITY PLAN FOR INTERMOUNTAIN HEALTHCARE.

Steve Smoot, Vice President of Intermountain Healthcare Urban South Region, explained the plan's highlights. He said they provided charity care to 24,000 cases in 3 area hospitals for a total value of \$25,000,000 (at a discounted rate). This comes to about 4% of total cases. Gifts to community (which is all of the commitments to Mountainlands Community Health Center, to the Volunteer Care Clinic and to the various organizations they support) comes to \$100,000,000. He added they were sensitive to the fact they are owned by the community and consider themselves an asset to the community. He explained their appreciation to the community. Commissioner Anderson mentioned that they have County staff, the legal department, look at the plan carefully. He added the County is appreciative of this partnership. Kye Miner also explained the appreciation they have with the County and the partnership with Utah County Health Dept. in looking at top healthcare needs.

Commissioner Ellertson made the motion to approve the Charity Plan. Commissioner Witney seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney**
Nay: none

15. REVOKE TAX EXEMPT STATUS AS SPECIFIED, PROPERTIES THAT WERE SOLD AND THOSE REQUESTED BY REPRESENTATIVE OF ORGANIZATION. (See attached list).

Commissioner Ellertson made the motion to approve the revocation of these tax exempt properties. Commissioner Witney seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney**
Nay: none

16. REVOKE TAX EXEMPT STATUS AS SPECIFIED, 2014 CONTINUED STATEMENT NOT RETURNED. (See attached list).

Burt Harvey clarified these are organizations that were contacted through first class mail and certified mail with no response. He explained two of the listed organizations are here today to petition their tax exemption not be revoked.

Hillary Avery, from Friday's Kids Respite, explained their paperwork was not sent in timely due to transition of directors. When asked about their program, she explained that this program helps families with special needs by pairing the children with a volunteer to give the parents a night out alone to reconnect and rejuvenate. There is a nurse on site at each location. This program is funded solely by private donations and helps around 65 families total in Salem, Orem and Lehi. They are located in the Kids on the Move building which helps them contact the families of children with special needs.

Tamera Tanner, of The Straighter Way Foundation, explained this is a therapeutic horseback riding facility for adults and children with special needs in Saratoga Springs, Utah. They are a small organization with around 800 volunteer hours a month, are private funded, and serve around 20-50 people a week. Their horses are donated. People find out about the program through doctors or therapists. Burt Harvey explained this is a personal property account for the business equipment and not for the property.

Commissioner Ellertson made the motion to revoke the tax exempt status for the items contained on the list for Item NO. 16 excluding Friday's Kids Respite and The Straighter Way Foundation and continue those two for one month. Commissioner Witney seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

GREENBELT -LATE

17. APPROVE OR DENY PETITION TO BOARD OF EQUALIZATION TO HEAR APPEAL OF FARMLAND ASSESSMENT ACT STATUS AFTER FILING DEADLINE FOR THEMIS LC/ANN M DOCKSTADER, SERIAL NOS. 30:057:0007, 30:059:0019, & 30:057:0017, GB ACCT. NOS. 372-2014, 373-2014 & 374-2014.

Ann Dockstader explained this was an ordinary application to continue that she thought had been submitted and everything was okay. When they received the roll-back notice she learned differently. Commissioner Witney noted the pictures look like the property is sagebrush, wild grass, and has downed fences. He asked what the production on the property was. Ann explained it is pasture for as many as 6 horses. She continued explaining they put horses there to keep the fire danger down. When asked about jurisdiction, Dave Shawcroft stated the County did not have jurisdiction as the appeal was not filed within 45 days. Commissioner Ellertson explained the process of appealing to the Utah State Tax Commission.

Commissioner Witney made the motion to deny for lack of jurisdiction. Commissioner Ellertson seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

GREENBELT

18. APPROVE OR DENY APPLICATION FOR REVIEW BY BOARD OF EQUALIZATION OF FARMLAND ASSESSMENT ACT STATUS FOR MELVIN V & MARY C FRANDSEN FAMILY LLC, SERIAL NO. 13:075:0028, GB ACCT. NO. 322-2014.

Robert Fillerup, attorney representing the Frandsen Family LLC, explained this is an initial appeal of an existing Greenbelt revocation based on aerial photography that showed the land was under water at the time of the aerial photo. He continued explaining this parcel abuts Utah Lake and adjoins upland parcels owned by the same entity for a total of 390 acres. These acres are a part of an alfalfa production enterprise. He stated his concern was this parcel is being segregated out. Under State Law, he commented you can't look at an individual parcel if it is claimed to be part of a larger, ongoing farming operation. When the photo was taken the property was under water, but it is dry ground now. When the photography was taken in November, 2013, Robert explained, the lake at that point was about ½ foot below compromise. Now it is a little less than 2 feet below it. Robert explained there has been production on this property in the past and at times even the uplands is under 3-4 feet of water. He said State statute makes a specific exemption for property that cannot be used due to no fault of the owners and a different section mentions land under lakes. He continued saying this land is clearly used when it is available. So, you have to consider the entire operation as a single parcel under State statute and the cases interpreting that.

Dave Shawcroft explained you have to find the parcel contributes significantly to the overall farming operation. Just because you have a farming operation does not automatically mean that all properties are qualified. You have to find that this parcel actually contributes to that production. If you are going to look at it as a whole, you have to find it has to make a contribution to the whole. Otherwise it is not being used for agricultural purposes. It has to stand on its own in that event. To this Robert stated he did not agree with that conclusion. He said it does not have to stand its own. It only has to be considered in terms of the overall farming operation. Dave said he disagrees because there are cases that say clearly if it doesn't contribute to the overall operation, then it has to stand on its own. Dave continued that the issue that has to be addressed is to whether it does or does not. Robert countered it does contribute when it is exposed. Once again, Dave stated the burden is on the property owner to show qualifications for Greenbelt status. Robert stated when it is exposed they harvest grass hay and use it as the point where they can drain their tailwater off of their upland irrigation. It is part of the overall farming operation. At this point there continued to be more discussion back and forth between Dave Shawcroft and Robert Fillerup on their opinions on state statutes. Commissioner Witney interrupted saying he would like Diane to go and take pictures of the property from ground level to see production and what kind of foliage is there. Diane said she would look for cultivation, fertilization, reseeding and other things to show they are trying to increase production. This would show management in such a way as to see profit. Robert stated this will be a problem around the entire edge of Utah Lake as the water goes out. Diane stated most properties around Utah Lake are off of Greenbelt now. Robert disagreed stating based on the settlements with the State of Utah other parcels will fall into this category. He added eight settlements were recorded this morning in the federal case regarding the boundaries around Utah Lake. He explained due to the cycle of the water around the lake and the fragmites coming up, farmers need time to be able to get on the land. He continued going out there to take pictures today is not the issue. That may show the status today, but what about next year? Commissioner Ellertson asked if these properties have been settled with regard to the boundary lines. Robert said they had. This particular parcel was settled at meander line which is the line on the photo. Commissioner Ellertson asked if the property is devalued because the lake ebbs and flows on it. Diane explained the market value is currently \$12,100 for 6.06 acres. Robert said the valuation is not being disputed and is not part of the appeal. Commissioner Witney said he agreed this is something that will come up and they needed to establish some way of addressing this issue.

Commissioner Witney made the motion to continue Item NO. 19 for one month. Commissioner Ellertson seconded the motion and carried with the following vote:

**Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none**

19. APPROVE OR DENY APPLICATION FOR REVIEW BY BOARD OF EQUALIZATION OF FARMLAND ASSESSMENT ACT STATUS FOR RONALD S BOWEN LLC, SERIAL NO. 30:008:0099, GB ACCT. NO. 396-2014.

Melanie Hamilton Bowen represented Ronald S Bowen LLC. Diane Garcia stated the application had not been turned in but has now and has been approved.

Commissioner Ellertson made the motion to approve Item NO. 19. Commissioner Witney seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

20. APPROVE OR DENY APPLICATION FOR REVIEW BY BOARD OF EQUALIZATION OF FARMLAND ASSESSMENT ACT STATUS FOR RW COMMERCIAL PROPERTY HOLDINGS LLC/GARY LARAMIE, SERIAL NO. 13:031:0031, GB ACCT. 394-2014.

Gary Laramie explained this property was put into the City of Saratoga Springs so they could split the parcel. But, they got a loan so they didn't have to sell the house that was on the property or split the parcel. He continued stating they didn't get the application turned back in on time. When they got the tax notice for the rollback taxes through the lien holder, they appealed it. Diane Garcia said there was no production question. Dave Shawcroft said they did not have jurisdiction as the appeal was not filed within 45 days. Plus, due to the property being recorded by RW Commercial Property Holdings LLC as owner, the owner of record and not Gary Laramie would have to appeal to the State Tax Commission.

Commissioner Ellertson made the motion to deny Item NO. 20. Commissioner Witney seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

21. SET A DATE, TIME AND LOCATION FOR CLOSED MEETING TO DISCUSS COMMERCIAL INFORMATION AS DEFINED IN SECTION 59-1-404, U.C.A., 1953 AS AMENDED.

Commissioner Ellertson made the motion to strike Item NO. 21. Commissioner Witney seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

Commissioner Witney made the motion to adjourn. Commissioner Ellertson seconded the motion and carried with the following vote:

Aye: Commissioner Anderson
Commissioner Ellertson
Commissioner Witney
Nay: none

The meeting adjourned at 2:00P.M.

The minutes of the April 29, 2014 Board of Equalization Meeting were approved as transcribed on May 27, 2014.

Gary Anderson, Chair

ATTEST:

Bryan E. Thompson
Utah County Clerk/Auditor

Copies available upon request or online at:
www.utahcountyonline.gov or www.utah.gov/pmn.

Recorded by: Vicky Westergard, Tax Admin. Clerk